

ATTACHMENTS

PHARMACY BENEFITS PURCHASE POOL MANAGEMENT AND PHARMACY BENEFITS PLAN ADMINISTRATION SERVICES

In accordance with State Procurement Regulations:

ATTACHMENT A is the State's contract. It is provided with the RFP for informational purposes and is not required at proposal submission time. However, it must be completed, signed and returned by the selected Offeror to the Procurement Officer upon notification of proposed contract award.

ATTACHMENT B - Bid/Proposal Affidavit. This form must be completed and submitted with the Offeror's technical proposal.

ATTACHMENT C – Contract Affidavit. IT is not required at proposals submission time. It must be submitted by the selected Offeror to the Procurement Officer within 5 working days of notification of proposed award.

ATTACHMENT D – Minority Business Enterprise Participation

ATTACHMENTS D-1 and D-2 – MBE Utilization and Fair Solicitation Affidavit and MBE Participation Schedule. These forms must be submitted with the Offeror's technical proposal.

ATTACHMENTS D-3 and D-4 – Other MBE forms. These must be submitted to the Procurement Officer by the selected Offeror within 10 working days of notification of proposed contract award.

ATTACHMENTS D-5 and D-6 – Other MBE forms. These are submitted monthly.

ATTACHMENT E – Confidentiality and Non-Disclosure Agreement.

ATTACHMENT F – State of Maryland Data Security Policy.

ATTACHMENT G – NAIC 120-1 Model COB Contract Provisions.

ATTACHMENT H – 100-Character File Layout.

ATTACHMENT I – COT/GAD X-10 EFT Registration Request Form.

ATTACHMENT L – Central Payroll Bureau Elect. Data Transmission Policy

ATTACHMENT M – Enrollment Deduction File Layout

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ATTACHMENT A

PHARMACY BENEFITS PURCHASING POOL MANAGEMENT AND PHARMACY BENEFITS ADMINISTRATION SERVICES CONTRACT

THIS CONTRACT is made this _____ day of _____, 2006 by and between _____ and the State of Maryland, acting through the Department of Budget and Management.

IN CONSIDERATION of the premises and the covenants herein contained, the parties agree as follows:

1. Definitions

In this Contract, the following words have the meanings indicated:

- 1.1** “Contract” means this Contract for Pharmacy Benefits Purchasing Pool Management and Pharmacy Benefits Administration Services.
- 1.2** “Contractor” means _____ whose principal business address is _____.
- 1.3** “Department” means the Maryland Department of Budget and Management.
- 1.4** “Financial Proposal” means the Contractor’s Financial Proposal dated _____.
- 1.5** “Procurement Officer” means Edward Bannat of the Department.
- 1.6** “RFP” means the Request for Proposals for Pharmacy Benefits Purchasing Pool Management and Pharmacy Benefits Administration Services, No. 000000000 , dated _____.
- 1.7** “State” means the State of Maryland.
- 1.8** “Technical Proposal” means the Contractor’s Technical Proposal, dated _____.

2. Scope of Work

- 2.1** The Contractor shall provide administration services for the pharmacy benefits plan offered by the State and pharmacy benefits purchasing pool members, including claims processing, network administration, and other plan administration services, for State employees, State retirees, satellite account employees, and their respective dependents, and for the enrolled and eligible participants in the pharmacy benefits plans that are members of the purchasing pool, all as more fully described in the RFP. The services shall be provided in accordance with this Contract and the following exhibits, which are attached and incorporated herein by reference. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall govern. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision.

Exhibit A - The RFP, including attachments and Excel worksheets.

Exhibit B - The Technical Proposal.

Exhibit C - The Financial Proposal.

Exhibit D – State Contract Affidavit Addendum.

- 2.2** If there are any inconsistencies between this Contract and Exhibits A, B, and C, the terms of this Contract shall control. If there is any conflict among the Exhibits, Exhibit A shall control.
- 2.3** The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under Article 10, Disputes. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

3. Time for Performance

The Contractor shall begin providing services under this Contract upon the earlier of execution by the Department or July 1, 2006. Unless terminated earlier as provided in this Contract, the Contractor shall provide pharmacy benefits purchasing pool and pharmacy benefits plan administration services from July 1, 2006 through June 30, 2011. The Contractor shall provide run-out administration for claims for the twelve-month period immediately following the termination of the Contract.

4. Consideration and Payment

- 4.1** In consideration of the satisfactory performance of the work set forth in this Contract, the Department shall pay the Contractor in accordance with the terms of the RFP and the Contractor's Financial Proposal.
- 4.2** Each invoice from the Contractor for services rendered shall include the Contractor's federal tax identification number, which is _____. The Contractor's e-MarylandMarketplace identification number is _____. Payments to the Contractor pursuant to this Contract shall be made no later than 30 days after the State's receipt of a proper invoice from the Contractor, consistent with the schedule identified in the RFP. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited. Invoices for the payment of services shall be submitted to the Department on the schedule provided in the RFP. The final payment under this Contract will not be made until after certification is received from the Comptroller of the State that all taxes have been paid.
- 4.3** Electronic funds transfer will be used by the State to pay the Contractor for this Contract and any other State payments due Contractor unless the State's Comptroller's Office grants the Contractor an exemption.
- 4.4** In addition to any other available remedies if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer pursuant to this Contract

5. Personnel

Contractor agrees that all personnel identified in its proposal shall be assigned to the State account for the term of the Contract, including any extension, unless such personnel are no longer employed by the Contractor.

6. Rights to Records

6.1 The Contractor agrees that all documents and materials, including but not limited to, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations and data prepared by the Contractor for purposes of this Contract shall be the sole property of the Department and shall be available to the Department at any time. The Department shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.

6.2 The Contractor agrees that at all times during the term of this Contract and thereafter, the works created and services performed under this Contract shall be “works made for hire” as that term is interpreted under U.S. copyright law. To the extent that any products created under this Contract are not works for hire for the Department, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.

6.3 Upon termination of this Contract, the Contractor, at its own expense, shall deliver any equipment, software or other property provided by the State to the place designated by the Procurement Officer.

7. Audit Rights

7.1 The Contractor shall provide the State the following audit rights:

- (a) to audit any data necessary to ensure the Contractor is complying with all contract terms, such audit rights to include but not be limited to: 100% of pharmacy claims data, which includes at least all NCPDP fields from the most current version and release; retail pharmacy contracts; data management, pharmaceutical manufacturer and wholesaler agreements; mail and specialty pharmacy contracts to the extent they exist with other vendor(s); approved and denied utilization management reviews; clinical program outcomes; appeals; and information related to the reporting and measurement of performance guarantees.
- (b) to audit post termination
- (c) to audit more than once per year if the audits are different in scope or for different services
- (d) to perform additional audits during the year of similar scope if requested as a follow-up to ensure significant or material errors found in an audit have been corrected and are not recurring, or if additional information becomes available to warrant further investigation.

7.2 The Contractor shall provide reasonable cooperation with requests for information, which includes but is not limited to the timing of the audit, deliverables, data/information requests and your response time to our questions during and after the process. The Contractor shall also provide a response to all “findings” that receives within 30 days, or at a later date if mutually determined to be more reasonable based on the number and type of findings.

- 7.3** The Contractor shall pay to the State 100% of any overpayment(s) made as determined from an audit ("Recoveries") no later than 30 days after both parties have agreed to the Recoveries.

8. Confidentiality

Subject to the Maryland Public Information Act and any other applicable laws, including HIPAA and the Maryland Confidentiality of Medical Records Act, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

9. Non-Hiring of Employees

No official or employee of the State of Maryland as defined under State Government Article section 15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract shall, during the pendency and term of this Contract and while serving as an official or employee of the State become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

10. Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2, of the State Finance and Procurement Article of the Annotated Code of Maryland and COMAR 21.10 (Administrative and Civil Remedies), both as from time to time amended. Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision. Unless a lesser period is provided by applicable statute, regulation, or the Contract, the Contractor must file a written notice of claim with the Procurement Officer within 30 days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within 30 days of the filing of a notice of claim, but no later than the date of final payment under the Contract, the Contractor must submit to the Procurement Officer its written claim containing the information specified in COMAR 21.10.04.02.

11. Maryland Law

This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

12. Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in

conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

13. Contingent Fee Prohibition

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the Contractor to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation or other entity, other than a bona fide employee, bona fide salesperson or commercial selling agency, any fee or other consideration contingent on the making of this Contract.

14. Non-availability of Funding

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

15. Termination for Cause

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State of Maryland shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

16. Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract; provided, however, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12 (A)(2).

17. Delays and Extensions of Time

The Contractor agrees to perform the work under this Contract continuously and diligently. No charges or claims for damages shall be made by the Contractor for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

18. Suspension of Work

The State unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

19. Pre-Existing Regulations

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR 21) in effect on the date of execution of this Contract are applicable to this Contract.

20. Financial Disclosure

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, as from time to time amended, which requires that every business that enters into contracts, leases, or other agreement with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of the State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

21. Political Contribution Disclosure

The Contractor shall comply with the Election Law Article, Sections 14-101 through 14-108, of the Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State, a county or an incorporated municipality or their agencies, during a calendar year under which the person receives in the aggregate \$100,000 or more, shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

22. Retention of Records

The Contractor shall retain and maintain all records and documents in any way relating to this Contract for at least three years after final payment by the State of Maryland under this Contract or any applicable statute of limitations or other period of record retention required in the RFP, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or the Procurement Officer's designee, at all reasonable times. All records related in any way to the Contract are to be retained for the entire time provided under this section.

23. Compliance with Laws

The Contractor hereby represents and warrants that:

1. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified.
2. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract.
3. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract.
4. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

24. Cost and Price Certification

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusion of any price discussions or negotiations.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon by the parties, was inaccurate, incomplete, or not current.

25. Subcontracting; Assignment

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the State of Maryland, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the prior written approval of the State. Any such subcontract or assignment shall include the terms of sections 8, 9, and 11 through 24 of this Contract and any other terms and conditions that the State deems necessary to protect its interests. The State shall not be responsible for the fulfillment of the Contractor's obligations to the subcontractors.

26. Indemnification

- 26.1** The Contractor shall indemnify and hold harmless the State, its officers, employees acting within the scope of their employment, and agents against liability for any and all costs, expenses, loss, suits, actions, or claims of any character arising from or relating to the performance of the Contractor or its subcontractors under this Contract.

- 26.2** The State of Maryland has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.
- 26.3** The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.
- 26.4** The Contractor shall immediately notify the Procurement Officer of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from or relating to the Contractor's obligations under the Contract, and will cooperate, assist, and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of or relating to the Contractor's performance under this Contract.
- 26.5** This Section 25 survives the termination of this Contract for any liability arising within the period of the statute of limitations associated with such liability.

27. Administrative

- 27.1 Procurement Officer.** The work to be accomplished under this Contract shall be performed under the direction of the Procurement Officer. All matters relating to the interpretation of this Contract shall be referred to the Procurement Officer for determination.
- 27.2 Notices.** All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid as follows:

If to the State: Director, Employee Benefits Division
State of Maryland
301 W. Preston St.
Room 509
Baltimore, MD 21201

IN WITNESS THEREOF, the parties have executed this Contract as of the date hereinabove set forth.

CONTRACTOR

STATE OF MARYLAND

By: DEPARTMENT OF BUDGET AND
MANAGEMENT

By: _____

By: Cecilia Januszkiewicz, Secretary

Date _____

Date _____

Witness _____

Witness _____

Approved for form and legal
sufficiency this _____ day
of _____ 2006.

Assistant Attorney General

APPROVED BY BPW: _____
(Date) (BPW Item #)

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ATTACHMENT B
BID/PROPOSAL AFFIDAVIT
COMAR 21.05.08.07

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____ and the duly authorized representative of (business) _____ and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

_____.

C. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders or any of its employees directly involved in the business's contracting activities, has:

(1) Been convicted under state or federal statute of:

(a) a criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or

(b) fraud, embezzlement, theft, forgery, falsification or destruction of records, or receiving stolen property;

(2) Been convicted of any criminal violation of a state or federal antitrust statute;

(3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961, et seq., or the Mail Fraud Act, 18 U.S.C. §1341, et seq., for acts in connection with the submission of bids or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, Section 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of the Section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsection (1) through (5) above;

(7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract; or

(8) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in Section B and subsections (1) through (7) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

D. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension):

E. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

F. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

G. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

- (1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;
- (2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

H. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

I. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101—14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

J. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

- (1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone whom the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

(i) The dangers of drug and alcohol abuse in the workplace;

(ii) The business' policy of maintaining a drug and alcohol free workplace;

(iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §J(2)(b), above;

(h) Notify its employees in the statement required by §J(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

(i) Abide by the terms of the statement; and

(ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §J(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §J(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

(i) Take appropriate personnel action against an employee, up to and including termination; or

(ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §J(2)(a)—(j), above.

(3) If the business is an individual, the individual shall certify and agree as set forth in §J(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03-

K. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

(1) The business named above is a (domestic ____) (foreign ____) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is: Name: Address: ____ .

(If not applicable, so state).

(2) Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

L. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

M. Repealed.

N. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____ By: _____(Authorized Representative and Affiant)____

ATTACHMENT C

**COMAR 21.07.01.25
CONTRACT AFFIDAVIT**

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the _____(title)_____ and the duly authorized representative of _____(business)_____ and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

(1) The business named above is a (domestic____) (foreign____) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is: Name:_____ Address:_____.

(2) Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

C. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated _____, 2005, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____

By: _____
(Authorized Representative and Affiant)

ATTACHMENT D

State of Maryland DEPARTMENT OF BUDGET AND MANAGEMENT MINORITY BUSINESS ENTERPRISE PARTICIPATION

PURPOSE

Contractor shall structure its procedures for the performance of the work required in this contract to attempt to achieve the minority business enterprise (MBE) goal stated in the Invitation for Bids or Request for Proposals. MBE performance must be in accordance with this Exhibit, as authorized by Code of Maryland Regulations (COMAR) 21.11.03. Contractor agrees to exercise all good faith efforts to carry out the requirements set forth in this Exhibit.

MBE GOALS AND SUBGOALS

☐ An overall MBE subcontract participation goal of (2) percent of the total contract dollar amount has been established for this procurement. This dollar amount includes:

- ☐ A sub-goal of 0 percent of the total contract dollar amount to be allocated to certified minority business enterprises classified as women-owned businesses.
- ☐ A sub-goal of 0 percent of the total contract dollar amount to be allocated to certified minority business enterprises classified as African American-owned businesses.

By submitting a response to this solicitation, the bidder or offeror agrees that these dollar amounts of the contract will be performed by certified minority business enterprises as specified.

- ◆ A prime contractor — including an MBE prime contractor — must accomplish an amount of work not less than the MBE subcontract goal with certified MBE subcontractors.
- ◆ A prime contractor comprising a joint venture that includes MBE partner(s) must accomplish the MBE subcontract goal with certified MBE subcontractors.

SOLICITATION AND CONTRACT FORMATION

- ◆ A bidder or offeror must include with its bid or offer:
 - (1) A completed Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) whereby the bidder or offeror acknowledges the certified MBE participation goal or requests a waiver, commits to make a good faith effort to achieve the goal, and affirms that MBE subcontractors were treated fairly in the solicitation process.
 - (2) A completed MBE Participation Schedule (Attachment D-2) whereby the bidder or offeror responds to the expected degree of Minority Business Enterprise participation as stated in the solicitation, by identifying the specific commitment of certified Minority Business Enterprises at the time of submission. The bidder or offeror shall specify the price and/or the percentage of contract value associated with each MBE subcontractor identified on the MBE Participation Schedule.

If a bidder or offeror fails to submit Attachment D-1 and Attachment D-2 at the time of submittal of the bid or offer, the Procurement Officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.

- ◆ Within 10 working days from notification that it is the apparent awardee or from the date of the actual award, whichever is earlier, the apparent awardee must provide the following documentation to the Procurement Officer.
 - (1) Outreach Efforts Compliance Statement (Attachment D-3)
 - (2) Subcontractor Project Participation Statement (Attachment D-4)
 - (3) If the apparent awardee has requested a waiver (in whole or in part) of the overall MBE goal or of any sub-goal as part of the previously submitted Attachment D-1, it must submit documentation supporting the waiver request that complies with COMAR 21.11.03.11.
 - (4) Any other documentation required by the Procurement Officer to ascertain bidder or offeror responsibility in connection with the certified MBE participation goal.

If the apparent awardee fails to return each completed document within the required time, the Procurement Officer may determine that the apparent awardee is not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.

CONTRACT ADMINISTRATION REQUIREMENTS

Contractor shall:

1. Submit monthly to the Department a report listing all payments made to MBE subcontractors during the preceding 30 days, as well as any unpaid invoices, over 30 days old, received from any certified MBE subcontractor, the amount of each invoice and the reason payment has not been made (Attachment D-5).
2. Include in its agreements with its certified MBE subcontractors a requirement that those subcontractors submit monthly to the Department a report that identifies the prime contract and lists all payments received from Contractor in the preceding 30 days, as well as any outstanding invoices, and the amount of those invoices (Attachment D-6).
3. Maintain such records as are necessary to confirm compliance with its MBE participation obligations. These records must indicate the identity of certified minority and non-minority subcontractors employed on the contract, the type of work performed by each, and the actual dollar value of work performed.
4. Consent to provide such documentation as reasonably requested and to provide right-of-entry at reasonable times for purposes of the State's representatives verifying compliance with the MBE participation obligations. Contractor must retain all records concerning MBE participation and make them available for State inspection for three years after final completion of the contract.
5. At the option of the procurement agency, upon completion of the contract and before final payment and/or release of retainage, submit a final report in affidavit form and under penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

ADDITIONAL ATTACHMENTS TO
MINORITY BUSINESS ENTERPRISE PARTICIPATION FORMS

ATTACHMENT D-1 - *Certified MBE Utilization and Fair Solicitation Affidavit* (must be submitted with bid or offer)

ATTACHMENT D-2 - *MBE Participation Schedule* (must be submitted with bid or offer)

ATTACHMENT D-3 - *Outreach Efforts Compliance Statement* (must be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)

ATTACHMENT D-4 - *Subcontractor Project Participation Statement* (must be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)

ATTACHMENT D-5 - Maryland Department of Budget and Management Minority Business Enterprise Participation – Prime Contractor Paid/Unpaid MBE Invoice Report

ATTACHMENT D-6 - Maryland Department of Budget and Management Minority Business Enterprise Participation – Subcontractor Paid/Unpaid MBE Invoice Report

ATTACHMENT D-1

CERTIFIED MBE UTILIZATION
AND FAIR SOLICITATION

AFFIDAVIT

This document shall be included with the submittal of the bid or offer. If the bidder or offeror fails to submit this form with the bid or offer, the procurement officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.

In conjunction with the bid or offer submitted in response to Solicitation No. F10R6200071, I affirm the following:

1. I acknowledge the overall certified Minority Business Enterprise (MBE) participation goal of ____ percent and, if specified in the solicitation, sub-goals of ____ percent for MBEs classified as African American-owned and ____ percent for MBEs classified as women-owned. I have made a good faith effort to achieve this goal.

OR

After having made a good faith effort to achieve the MBE participation goal, I conclude I am unable to achieve it. Instead, I intend to achieve an MBE goal of ____% and request a waiver of the remainder of the goal. If I submit the apparent low bid or am selected as the apparent awardee (competitive sealed proposals), I will submit written waiver documentation that complies with COMAR 21.11.03.11 within 10 business days of receiving notification that our firm is the apparent low bidder or the apparent awardee.

2. *I acknowledge that the MBE subcontractors/suppliers listed in the MBE Participation Schedule will be used to accomplish the percentage of MBE participation that I intend to achieve.*
3. I have identified the specific commitment of certified Minority Business Enterprises by completing and submitting an MBE Participation Schedule with the bid or proposal.
4. I understand that if I am notified that I am the apparent awardee, I must submit the following documentation within 10 working days of receiving notice of the potential award or from the date of conditional award (per COMAR 21.11.03.10), whichever is earlier.
 - (a) Outreach Efforts Compliance Statement (Attachment D-3)
 - (b) Subcontractor Project Participation Statement (Attachment D-4)
 - (c) MBE Waiver Documentation per COMAR 21.11.03.11 (if applicable)
 - (d) Any other documentation required by the Procurement Officer to ascertain bidder or offeror responsibility in connection with the certified MBE participation goal.

I acknowledge that if I fail to return each completed document within the required time, the Procurement Officer may determine that I am not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.

5. In the solicitation of subcontract quotations or offers, MBE subcontractors were provided not less than the same information and amount of time to respond as were non-MBE subcontractors.

I solemnly affirm under the penalties of perjury that the contents of this paper are true to the best of my knowledge, information, and belief.

Bidder/Offeror Name

Signature of Affiant

Address

Printed Name, Title

Date

SUBMIT THIS AFFIDAVIT WITH BID/PROPOSAL

ATTACHMENT D-2

MBE PARTICIPATION SCHEDULE

(for submission with bid or proposal)

This document shall be included with the submittal of the bid or offer. If the bidder or offeror fails to submit this form with the bid or offer, the procurement officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.

Prime Contractor (Firm Name, Address, Phone)	Project Description
Project Number	
List Information For Each Certified MBE Subcontractor On This Project	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	

USE ATTACHMENT D-2 CONTINUATION PAGE AS NEEDED

SUMMARY

TOTAL MBE PARTICIPATION:	<u> </u> %
TOTAL WOMAN-OWNED MBE PARTICIPATION:	<u> </u> %
TOTAL AFRICAN AMERICAN-OWNED MBE PARTICIPATION:	<u> </u> %

Document Prepared By: (please print or type)
Name: _____ Title: _____

Attachment D-2
MBE Participation Schedule (continued)

List Information For Each Certified MBE Subcontractor On This Project	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/SIC	
Percentage of Total Contract	

ATTACHMENT D-3

OUTREACH EFFORTS COMPLIANCE STATEMENT

In conjunction with the bid or offer submitted in response to Solicitation No. F10R6200071, I state the following:

1. Bidder/ Offeror identified opportunities to subcontract in these specific work categories:
2. Attached to this form are copies of written solicitations (with bidding instructions) used to solicit certified MBEs for these subcontract opportunities.
3. Bidder/Offeror made the following attempts to contact personally the solicited MBEs:
4. ☐ Bidder/Offeror assisted MBEs to fulfill or to seek waiver of bonding requirements.
(DESCRIBE EFFORTS)
- ☐ This project does not involve bonding requirements.
5. ☐ Bidder/Offeror did/did not attend the pre-bid/proposal conference
☐ No pre-bid/proposal conference was held.

Bidder/Offeror Name

By: _____
Name

Address

Title

Date

Attachment D-4

SUBCONTRACTOR PROJECT PARTICIPATION

STATEMENT

SUBMIT ONE FORM FOR EACH CERTIFIED MBE LISTED IN THE MBE PARTICIPATION SCHEDULE

Provided that _____ is awarded the State contract in conjunction with Solicitation
Prime Contractor Name

No. _____, it and _____, MDOT Certification No. _____,
Subcontractor Name

intend to enter into a contract by which subcontractor shall:

(describe work) _____

- ☐ No bonds are required of Subcontractor
- ☐ The following amount and type of bonds are required of Subcontractor:

By:

Prime Contractor Signature

Name

Title

Date

By:

Subcontractor Signature

Name

Title

Date

This form is to be completed monthly by the **prime** contractor.

ATTACHMENT D-5
Maryland Department of Budget and Management
Minority Business Enterprise Participation
Prime Contractor Paid/Unpaid MBE Invoice Report

Report #: _____ Reporting Period (Month/Year): _____ Report is due by the 15th of the following month.	Contract #: _____ Contracting Unit: _____ Contract Amount: _____ MBE Subcontract Amt: _____ Project Begin Date: _____ Project End Date: _____ Services Provided: _____
--	--

Prime Contractor:		Contact Person:	
Address:			
City:		State:	ZIP:
Phone:	FAX:		
Subcontractor Name:		Contact Person:	
Phone:	FAX:		
Subcontractor Services Provided:			
List all payments made to MBE subcontractor named above during this reporting period: 1. 2. 3. 4. Total Dollars Paid: \$ _____		List dates and amounts of any outstanding invoices: 1. 2. 3. 4. Total Dollars Unpaid: \$ _____	

**If more than one MBE subcontractor is used for this contract, please use separate forms.

Return one copy (hard or electronic) of this form to each of the below addressees (electronic is preferred):

MBE Officer Department of Budget and Management Procurement Unit 45 Calvert Street, 1 st Floor, Rm 134 Annapolis, MD 21401 MBEOfficer@dbm.state.md.us	Nap Curameng Department of Budget and Management Employee Benefits Division 301 West Preston Street, 5 th Floor, Rm 509 Baltimore, MD 21201 ncurameng@dbm.state.md.us
---	--

Signature: _____ Date: _____

This form is to be
completed monthly
by the MBE
contractor.

ATTACHMENT D-6
Maryland Department of Budget and Management
Minority Business Enterprise Participation
Subcontractor Paid/Unpaid MBE Invoice Report

Report#: _____ Reporting Period (Month/Year): _____ Report is due by the 15th of the following month.	Contract #: _____ Contracting Unit: _____ Contract Amount: _____ MBE Subcontract Amt: _____ Project Begin Date: _____ Project End Date: _____ Services Provided: _____
---	--

MBE Subcontractor Name:		
MDOT Certification #:		
Contact Person:		
Address:		
City:	State:	ZIP:
Phone:	FAX:	
Subcontractor Services Provided:		
List all payments received from Prime Contractor during this reporting period. 1. 2. 3. 4. Total Dollars Paid: \$ _____	List dates and amounts of any outstanding invoices. 1. 2. 3. 4. Total Dollars Unpaid: \$ _____	
Prime Contractor: _____ Contact Person: _____		

Return one copy (hard or electronic) of this form to each of the below addressees (electronic is preferred):

MBE Officer Department of Budget and Management Procurement Unit 45 Calvert Street, 1 st Floor, Rm 134 Annapolis, MD 21401 MBEOfficer@dbm.state.md.us	Nap Curameng Department of Budget and Management Employee Benefits Division 301 West Preston Street, 5 th Floor, Rm 509 Baltimore, MD 21201 ncurameng@dbm.state.md.us
---	--

Signature: _____ Date: _____

ATTACHMENT E

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

Whereas Offeror intends to submit a proposal in response to State of Maryland Solicitation No. F10R6200071 (the “RFP”) for long term care insurance benefits,

Whereas, in order for the Offeror to submit a proposal, the Offeror requires access to certain census data regarding the population eligible for long term care insurance, it will be necessary for the State to provide the Offeror with access in electronic form or a computer diskette, to confidential employee data (“Confidential Data”) that includes utilization and census data.

Now, Therefore, in consideration of the release of Confidential Information and other promises, covenants and valuable consideration contained herein, the parties agree as follows:

1. Offeror will not copy, disclose, publish, release, transfer, disseminate or use for any purpose in any form any of the Confidential Information except in connection with the preparation of its proposal. Offeror will not identify the individuals in any Confidential Data that includes utilization data or contact any individual for whom any information is provided as part of the Confidential Data.
2. Each employee, agent or subcontractor of the Offeror who receives or has access to the Confidential Information shall execute a copy of this Agreement and Offeror shall provide the executed Agreement to the State.
3. Offeror will use appropriate safeguards to prevent the use or disclosure of the Confidential Data other than as provided in this Agreement. Offeror will report to the State any use or disclosure of the Confidential Data that is not authorized pursuant to this Agreement.
4. The original electronic media or computer diskette containing the Confidential Information shall be returned to the State before or coinciding with the submission of Offeror’s proposal. No copies of the Confidential Information in any form shall be retained after submission of a proposal and all copies of the Confidential Data that were prepared or made in the course of preparing a proposal have been destroyed in such a manner as to make retrieval of the Confidential Data impossible. If the Offeror does not submit a proposal, the Offeror shall return the Confidential Information to the Department on or before the due date for proposals.
5. Offeror acknowledges that the disclosure or unauthorized use of the Confidential Information will cause irreparable harm to the State and agrees that the State may obtain an injunction to prevent the disclosure or copying of the Confidential Information. The Offeror consents to personal jurisdiction in the Maryland State Courts.
6. Offeror acknowledges that pursuant to Section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland a person may not willfully make a false or fraudulent statement or representation of a material fact in connection with a procurement contract. Persons making such statements are guilty of a felony and on conviction subject to a fine of not more than \$20,000 and/or imprisonment not exceeding 5 years. Offeror further acknowledges that this Agreement is a statement made in connection with a procurement contract.
7. Offeror agrees to indemnify the State of Maryland and to hold it harmless from any and all losses, claims or damages the State may suffer or be exposed to because of any use or disclosure by Offeror of any of the Confidential Information that is not permitted by this Agreement. Offeror acknowledges that disclosure or unauthorized use of the Confidential Data may make the Offeror subject to suit from the subject(s) of the Data.
8. This Agreement shall be governed by the laws of the State of Maryland.
9. Offeror hereby acknowledges receipt of Confidential Information.

10. The undersigned represents and warrants that he/she has the authority to bind the Offeror to the provisions of this Agreement.

OFFEROR

MARYLAND DEPARTMENT OF
BUDGET AND MANAGEMENT

By:
Title:

By: Edward Bannat
Procurement Officer

Date

Date

Witness

Witness

CERTIFICATION OF RETURN OF CONFIDENTIAL DATA

This is to certify that the computer diskette containing Confidential Data is being returned to the State of Maryland, that no copies of the Confidential Data have been retained, and that all copies of the Confidential Data that were prepared or made in the course of preparing a proposal have been destroyed in such a manner as to make retrieval of the Confidential Data impossible.

OFFEROR

By:
Title:

Date

Witness

RECEIVED BY:

Name:

Date

ATTACHMENT F

STATE OF MARYLAND IT SECURITY POLICY AND STANDARDS

AVAILABLE IN ELECTRONIC FORMAT

See Department of Budget and Management Web Site

www.dbm.maryland.gov

(Keyword 'IT Security Policy)

ATTACHMENT G

NAIC 120-1 MODEL COB CONTRACT PROVISIONS

Copr. © West 2003 No Claim to Orig. U.S. Govt. Works

MODEL COB CONTRACT PROVISIONS

COORDINATION OF THIS GROUP CONTRACT'S BENEFITS WITH OTHER BENEFITS

This coordination of benefits (COB) provision applies when a person has health care coverage under more than one plan. "Plan" is defined below.

The order of benefit determination rules below determine which plan will pay as the primary plan. The primary plan that pays first pays without regard to the possibility that another plan may cover some expenses. A secondary plan pays after the primary plan and may reduce the benefits it pays so that payments from all group plans do not exceed 100% of the total allowable expense.

DEFINITIONS

A. A "plan" is any of the following that provides benefits or services for medical or dental care or treatment. However, if separate contracts are used to provide coordinated coverage for members of a group, the separate contracts are considered parts of the same plan and there is no COB among those separate contracts.

(1) "Plan" includes: group insurance, closed panel or other forms of group or group-type coverage (whether insured or uninsured); hospital indemnity benefits in excess of \$200 per day; medical care components of group long-term care contracts, such as skilled nursing care; medical benefits under group or individual automobile contracts; and Medicare or other governmental benefits, as permitted by law.

(2) "Plan" does not include: individual or family insurance; closed panel or other individual coverage (except for group-type coverage); amounts of hospital indemnity insurance of \$200 or less per day; school accident type coverage, benefits for non-medical components of group long-term care policies; Medicare supplement policies, Medicaid policies and coverage under other governmental plans, unless permitted by law.

Each contract for coverage under (1) or (2) is a separate plan. If a plan has two parts and COB rules apply only to one of the two, each of the parts is treated as a separate plan.

B. The order of benefit determination rules determine whether this plan is a "primary plan" or "secondary plan" when compared to another plan covering the person.

When this plan is primary, its benefits are determined before those of any other plan and without considering any other plan's benefits. When this plan is secondary, its benefits are determined after those of another plan and may be reduced because of the primary plan's benefits.

C. "Allowable expense" means a health care service or expense, including deductibles and copayments, that is covered at least in part by any of the plans covering the person. When a plan provides benefits in the form of services, (for example an HMO) the reasonable cash value of each service will be considered an allowable expense and a benefit paid. An expense or service that is not covered by any of the plans is not an allowable expense. The following are examples of expenses or services that are not allowable expenses:

(1) If a covered person is confined in a private hospital room, the difference between the cost of a semi-private room in the hospital and the private room, (unless the patient's stay in a private hospital room is medically necessary in terms of generally accepted medical practice, or one of the plans routinely provides coverage for hospital private rooms) is not an allowable expense.

(2) If a person is covered by 2 or more plans that compute their benefit payments on the basis of usual and customary fees, any amount in excess of the highest of the usual and customary fees for a specific benefit is not an allowable expense.

(3) If a person is covered by 2 or more plans that provide benefits or services on the basis of negotiated fees, an amount in excess of the highest of the negotiated fees is not an allowable expense.

(4) If a person is covered by one plan that calculates its benefits or services on the basis of usual and customary fees and another plan that provides its benefits or services on the basis of negotiated fees, the primary plan's payment arrangements shall be the allowable expense for all plans.

(5) The amount a benefit is reduced by the primary plan because a covered person does not comply with the plan provisions. Examples of these provisions are second surgical opinions, precertification of admissions, and preferred provider arrangements.

D. "Claim determination period" means a calendar year. However, it does not include any part of a year during which a person has no coverage under this plan, or before the date this COB provision or a similar provision takes effect.

E. "Closed panel plan" is a plan that provides health benefits to covered persons primarily in the form of services through a panel of providers that have contracted with or are employed by the plan, and that limits or excludes benefits for services provided by other providers, except in cases of emergency or referral by a panel member.

F. "Custodial parent" means a parent awarded custody by a court decree. In the absence of a court decree, it is the parent with whom the child resides more than one half of the calendar year without regard to any temporary visitation.

ORDER OF BENEFIT DETERMINATION RULES

When two or more plans pay benefits, the rules for determining the order of payment are as follows:

A. The primary plan pays or provides its benefits as if the secondary plan or plans did not exist.

B. A plan that does not contain a coordination of benefits provision that is consistent with this regulation is always primary. There is one exception: coverage that is obtained by virtue of membership in a group that is designed to supplement a part of a basic package of benefits may provide that the supplementary coverage shall be excess to any other parts of the plan provided by the contract holder. Examples of these types of situations are major medical coverages that are superimposed over base plan hospital and surgical benefits, and insurance type coverages that are written in connection with a closed panel plan to provide out-of-network benefits.

C. A plan may consider the benefits paid or provided by another plan in determining its benefits only when it is secondary to that other plan.

D. The first of the following rules that describes which plan pays its benefits before another plan is the rule to use.

(1) Non-Dependent or Dependent. The plan that covers the person other than as a dependent, for example as an employee, member, subscriber or retiree is primary and the plan that covers the person as a dependent is secondary. However, if the person is a Medicare beneficiary and, as a result of federal law, Medicare is secondary to the plan covering the person as a dependent; and primary to the plan covering the person as other than a dependent (e.g. a retired employee); then the order of benefits between the two plans is reversed so that the plan covering the person as an employee, member, subscriber or retiree is secondary and the other plan is primary.

(2) Child Covered Under More Than One Plan. The order of benefits when a child is covered by more than one plan is:

(a) The primary plan is the plan of the parent whose birthday is earlier in the year if:

. The parents are married;

. The parents are not separated (whether or not they ever have been married); or

. A court decree awards joint custody without specifying that one party has the responsibility to provide health care coverage. If both parents have the same birthday, the plan that covered either of the parents longer is primary.

(b) If the specific terms of a court decree state that one of the parents is responsible for the child's health care expenses or health care coverage and the plan of that parent has actual knowledge of those terms, that plan is primary. This rule applies to claim determination periods or plan years commencing after the plan is given notice of the court decree.

(c) If the parents are not married, or are separated (whether or not they ever have been married) or are divorced, the order of benefits is:

. The plan of the custodial parent;

. The plan of the spouse of the custodial parent;

. The plan of the noncustodial parent; and then

. The plan of the spouse of the noncustodial parent.

(3) Active or inactive employee. The plan that covers a person as an employee who is neither laid off nor retired, is primary. The same would hold true if a person is a dependent of a person covered as a retiree and an employee. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored. Coverage provided an individual as a retired worker and as a dependent of an actively working spouse will be determined under the rule labeled B(1).

(4) Continuation coverage. If a person whose coverage is provided under a right of continuation provided by federal or state law also is covered under another plan, the plan covering the person as an employee, member, subscriber or retiree (or as that person's

dependent) is primary, and the continuation coverage is secondary. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.

(5) Longer or shorter length of coverage. The plan that covered the person as an employee, member, subscriber or retiree longer is primary.

(6) If the preceding rules do not determine the primary plan, the allowable expenses shall be shared equally between the plans meeting the definition of plan under this regulation. In addition, this plan will not pay more than it would have paid had it been primary.

EFFECT ON THE BENEFITS OF THIS PLAN

A. When this plan is secondary, it may reduce its benefits so that the total benefits paid or provided by all plans during a claim determination period are not more than 100 percent of total allowable expenses. The difference between the benefit payments that this plan would have paid had it been the primary plan, and the benefit payments that it actually paid or provided shall be recorded as a benefit reserve for the covered person and used by this plan to pay any allowable expenses, not otherwise paid during the claim determination period. As each claim is submitted, this plan will:

- (1) Determine its obligation to pay or provide benefits under its contract;
- (2) Determine whether a benefit reserve has been recorded for the covered person; and
- (3) Determine whether there are any unpaid allowable expenses during that claims determination period.

If there is a benefit reserve, the secondary plan will use the covered person's benefit reserve to pay up to 100% of total allowable expenses incurred during the claim determination period. At the end of the claims determination period, the benefit reserve returns to zero. A new benefit reserve must be created for each new claim determination period.

B. If a covered person is enrolled in two or more closed panel plans and if, for any reason, including the provision of service by a non-panel provider, benefits are not payable by one closed panel plan, COB shall not apply between that plan and other closed panel plans.

RIGHT TO RECEIVE AND RELEASE NEEDED INFORMATION

Certain facts about health care coverage and services are needed to apply these COB rules and to determine benefits payable under this plan and other plans. [Organization responsibility for COB administration] may get the facts it needs from or give them to other organizations or persons for the purpose of applying these rules and determining benefits payable under this plan and other plans covering the person claiming benefits. [Organization responsibility for COB administration] need not tell, or get the consent of, any person to do this. Each person claiming benefits under this plan must give [Organization responsibility for COB administration] any facts it needs to apply those rules and determine benefits payable.

FACILITY OF PAYMENT

A payment made under another plan may include an amount that should have been paid under this plan. If it does, [Organization responsibility for COB administration] may pay that amount to the organization that made that payment. That amount will then be treated as though it were a benefit paid under this plan. [Organization responsibility for COB administration] will not have to pay that amount again. The term "payment made" includes providing benefits in the form of services, in which case "payment made" means reasonable cash value of the benefits provided in the form of services.

RIGHT OF RECOVERY

If the amount of the payments made by [Organization responsibility for COB administration] is more than it should have paid under this COB provision, it may recover the excess from one or more of the persons it has paid or for whom it has paid; or any other person or organization that may be responsible for the benefits or services provided for the covered person. The "amount of the payments made" includes the reasonable cash value of any benefits provided in the form of services.

ATTACHMENT H

100 CHARACTER FILE LAYOUT

File Name: VENDPPOCF.TXT
File Organization: SEQUENTIAL
Storage Medium: DISK
Record Size: 100
Block Size: 10000
Record Format: FB

POSITIONS	SIZE	CLASS	DESCRIPTION	DATA
1-15	15	A/N	Document No.	Claim number
16-24	9	A/N	MD State Enrollee SSN	Primary S.S. #
				0=self, 1=spouse, 2=child, 3=grandchild, 4=stepchild, 5=legal ward
25	1	A/N	Patient Relation Code	
26-34	9	A/N	Patient SSN	Patient S.S. #
35-42	8	N	Patient DOB	MMDDCCYY
43-50	8	N	Incur From Date	MMDDCCYY
51-58	8	N	Incurred Thru Date	MMDDCCYY
59-68	10	A/N	Group No.	Group Number
69-77	9	N	Amount Paid	9(7)v99
78-100	23	A/N	Filler	Spaces

ATTACHMENT I

**COT/GAD X-10 VENDOR ELECTRONIC FUNDS (EFT)
REGISTRATION REQUEST FORM**

State of Maryland
Comptroller of Maryland

Vendor Electronic Funds Transfer (EFT) Registration Request Form

Date of request _____

Business identification information (Address to be used in case of default to check):

Business name _____

Address line 1 _____

Address line 2 _____

City _____ State _____

Zip code

--	--	--	--	--	--

--	--	--	--	--	--

Business taxpayer identification number:

Federal Employer Identification Number:

--	--

--	--	--	--	--	--	--	--

(or) Social Security Number:

--	--	--

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--	--	--	--	--	--

Business contact name, title, and phone number including area code. (And address if different from above).

Financial institution information:

Name and address _____

Contact name and phone number (include area code)

ABA number

--	--	--	--	--	--	--	--	--	--

Account number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Account type ☐ Checking ☐ Money Market

A voided check from the bank account must be attached.

Transaction requested:

1. ☐ Initiate all disbursements via EFT to the above account.
2. ☐ Discontinue disbursements via EFT, effective _____
3. ☐ Change the bank account to above information – a copy of the approved Registration Form for the previous bank account must be attached.

(OVER)

I am authorized by *_____ (hereinafter Company) to make the representations contained in this paragraph. Company authorizes the Comptroller and the Treasurer of Maryland to register it for electronic funds transfer (EFT) using the information contained in this registration form. Company agrees to receive all funds from the State of Maryland by electronic funds transfer according to the terms of the EFT program. Company agrees to return to the State of Maryland any EFT payment incorrectly disbursed by the State of Maryland to the Company's account. Company agrees to hold harmless the State of Maryland and its agencies and departments for any delays or errors caused by inaccurate or outdated registration information or by the financial institution listed above.

*Name of registering business entity

Signature of company treasurer, controller, or chief financial officer and date

Completed by GAD/STO

Date Received _____

GAD registration information verified _____ Date to STO _____

STO registration information verified _____ Date to GAD _____

R*STARS Vendor No. and Mail Code Assigned:

_____/_____/_____

State Treasurer's Office approval date

General Accounting Division approval date

To Requestor:

Please retain a copy of this form for your records. Please allow approximately 30 days from the date of your request for the Comptroller's and Treasurer's Offices to process your request. Failure to maintain current information with this office could result in errors in payment processing. If you have any questions, please call the EFT registration desk at 410-260-7375.

Please submit form to:

EFT Registration, General Accounting Division
Room 205, P.O. Box 746
Annapolis, Maryland 21404-0746

COT/GAD X-10

ATTACHMENT L



William Donald Schaefer
Comptroller

Robert Murphy
Director
Central Payroll Bureau

Central Payroll Bureau Electronic Data Transmission Policy

The Comptroller of Maryland's Central Payroll Bureau (CPB) is responsible for issuing paychecks to all State employees, except those in the Mass Transit Administration. The Bureau handles deductions, payroll taxes, federal withholding (W-2) forms, and other payroll reports for State government. To that end, the Central Payroll Bureau exchanges data with many state agencies and state business partners. Because of the sensitive nature of the payroll data, CPB has strict requirements to ensure the secure electronic transmission of the data. Below is the policy concerning the transmission of CPB data and information regarding the information technology environment and technical requirements.

1. The CPB data resides on an Amdahl mainframe running the IBM z/OS operating system, and is operated by the Comptroller of Maryland's Annapolis Data Center (ADC). All payroll data files must be transmitted to or from this mainframe system.
2. All payroll data files transmitted electronically must be compressed, using either the industry standard Pkzip software or Sterling Commerce's Connect:Direct.
3. All payroll data files transmitted electronically using Pkzip software must also be password protected.
4. All payroll data files transmitted electronically must be encrypted using one of the following methods:
 - Pkzip with strong security
 - Connect:Direct: with the secure plus feature
5. The supported transport options are:
 - **AT&T Global Network (AGNS):** formerly IBM Global Network/Advantis. This is a private SNA network with a bandwidth of 56kbps, with dial backup. Connect:Direct is the only file transfer product supported on this network.
 - **Internet.** Connect:Direct or FTP may be used. Due to security reasons, FTP requests may be initiated only by the ADC mainframe. The firewall blocks all inbound FTP requests.
 - **Net.Work.Maryland:** This network provides "high-speed telecommunications access to the public sector entities (State, County and Municipal Government Agencies and Departments, Libraries, Hospitals, K-12 Education, and Higher Education) throughout the State of Maryland." All new connections to net.work.Maryland must be approved by the Department of Budget and Management, in compliance with Joint Chairman's Report, Section 49, Wide Area Network.
 - **Private data circuit:** State agencies or business partners may elect to install a dedicated circuit, frame relay circuit, or ISDN circuit into the Annapolis Data Center (also requires a router). All new circuits installations

must be approved by the Department of Budget and Management, in compliance with Joint Chairman's Report, Section 49, Wide Area Network.

Disaster Recovery: In the event of a disaster impacting the operations of the Annapolis Data Center, the mainframe system will be restored at a SunGard hotsite facility within 48 hours. The network recovery plans include the restoration of connections to the AGNS, the Internet, and net.work.Maryland. Private data circuits cannot be restored.

Links

AT&T Global Network (AGNS)

<http://www.att.com/globalnetwork/>

Comptroller of Maryland

<http://www.marylandtaxes.com/>

Central Payroll Bureau

<http://compnet.comp.state.md.us/cpb/default.asp>

Connect:Direct:

http://www.sterlingcommerce.com/PDF/Solutions/Connect/SC0027_CDDirectOvrview_07-02.pdf

ISDN

<http://www.techweb.com/encyclopedia/defineterm?term=isdn>

Process for compliance with FY2002 Joint Chairman's Report, Section 49, Wide Area Network:

JCR § 49 created a requirement that expenditures for enhancements of wide area networks, or development of new wide area networks, be reviewed and approved in advance by the State Chief Information Officer. This requirement was created by the Joint Chairman to ensure that wide area network development and enhancements are consistent and non-duplicative of the proposed statewide network. For questions, contact the Assistant Director of IT Investment Management, Joann Butler, at jbutler@dbm.state.md.us or by phone at (410) 260-7571.

Net.Work.Maryland

<http://www.techmd.state.md.us/technology/networkmdpage.asp>

Pkzip

<http://www.asizip.com/products/enterprise/mvs/>

SNA

<http://www.techweb.com/encyclopedia/defineterm?term=sna>

z/OS Operating System

<http://www-1.ibm.com/servers/eserver/zseries/zos/>

ATTACHMENT M

Enrollment Deduction File Layout

LTCDED

FILE NAME: A38E.TE.HEALTH

DATE: April 29, 1999

FILE ORGANIZATION:

STORAGE MEDIUM:

RECORD SIZE: 80

BLOCK SIZE:

RECORD FORMAT:

POSITIONS	SIZE	CLASS	DESCRIPTION	DATA
1-2	2	A/N	Agency	RG or UM
3-8	6	N	Agency Code	
9-17	9	N	SSN	
18-47	30	A/N	Employee Name	Last, First MI
48-49	2	A/N	DOE Code	AL
50-55	6	N	Old Deduction Amount	9(4)V99
56-61	6	A/N	New Deduction Amount	9(4)V99 or R
62-69	8	N	Effective Date	MMDDCCYY
70-75	6	N	Batch Number	
76-80	5	A/N	Filler	

R in the New Deduction Amount field denotes a cancellation